

AMENDED IN SENATE APRIL 22, 2003

SENATE BILL

No. 971

Introduced by Senator Burton

February 21, 2003

An act to add ~~Section 89500.5~~ Sections 89500.3, 89500.5, and 89500.7 to the Education Code, relating to the California State University.

LEGISLATIVE COUNSEL'S DIGEST

SB 971, as amended, Burton. California State University: outside employment: *courses in employee ethics*.

Existing law establishes the California State University and its various campuses under the administration of the Trustees of the California State University. Existing law authorizes the trustees to hire employees to carry on the functions of the university.

This bill would *prohibit an employee of the California State University who is a designated employee, as defined, from being a consultant or an employee of a for-profit business entity that provides services to the university in circumstances where the employee would serve the entity in the area of the employee's responsibilities with the university.*

The bill would require each executive employee, managerial employee as defined, supervisory employee as defined, and full-time faculty unit employee of the university to report to the trustees any other employment he or she holds during the period of his or her employment by the university. The bill would require an employee to whom this bill is applicable to make the report required by the bill on April 1, 2004, and thereafter, upon his or her appointment to an outside position, as defined.

The bill would require the trustees to offer, on at least a semiannual basis, to each of the university's filers, as defined, an orientation course on the relevant employee ethics statutes and regulations that govern official conduct. The bill would require a filer to attend the course periodically.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. *Section 89500.3 is added to the Education*
2 *Code, to read:*

3 89500.3. *No employee of the California State University who*
4 *is a designated employee under Article 3 (commencing with*
5 *Section 87300) of Chapter 7 of Title 9 of the Government Code may*
6 *be a consultant or an employee of a for-profit business entity that*
7 *provides services to the university in circumstances where the*
8 *employee would serve the entity in the area of the employee's*
9 *responsibilities with the university. A violation of this section shall*
10 *result in appropriate discipline or, in the case of an at-will*
11 *employee of the university, may result in the dismissal of that*
12 *employee.*

13 SEC. 2. *Section 89500.5 is added to the Education Code, to*
14 *read:*

15 89500.5. (a) Each executive employee, managerial
16 employee, as defined in Section 3562 of the Government Code,
17 supervisory employee, as defined in Section 3580.3 of the
18 Government Code, and full-time faculty unit employee of the
19 university shall report to the trustees any other employment he or
20 she holds during the period of his or her employment by the
21 university. An employee to whom this section is applicable shall
22 make the report required by this section on April 1, 2004.
23 Thereafter, the report shall be made by the employee upon his or
24 her appointment to an outside position.

25 (b) As used in this section, "appointment to an outside
26 position" includes the process of hiring, any subsequent
27 adjustments in time to perform the outside work, and the
28 discontinuation of the outside employment.

29 SEC. 3. *Section 89500.7 is added to the Education Code, to*
30 *read:*

1 89500.7. (a) (1) *The trustees shall offer, on at least a*
2 *semiannual basis, to each of the university's filers an orientation*
3 *course on the relevant employee ethics statutes and regulations*
4 *that govern official conduct.*

5 (2) *As used in this section, 'filer' means a designated employee*
6 *of the university who is required to file a Statement of Economic*
7 *Interests in accordance with Article 3 (commencing with Section*
8 *87300) of Chapter 7 of Title 9 of the Government Code.*

9 (b) *The trustees shall maintain records that indicate attendance*
10 *at courses offered pursuant to this section. These records shall*
11 *identify the attendees by name, job title, and date of their*
12 *attendance, and shall be maintained for a period of at least five*
13 *years after each course is offered. These records shall be public*
14 *records subject to inspection and copying in accordance with the*
15 *Public Records Act (Chapter 3.5 (commencing with Section 6250)*
16 *of Division 7 of Title 1 of the Government Code).*

17 (c) *Each filer shall attend the orientation course established*
18 *pursuant to subdivision (a) in accordance with both of the*
19 *following:*

20 (1) *A filer who holds a designated position on January 1, 2004,*
21 *shall attend not later than December 31, 2004, and thereafter, at*
22 *least once during each consecutive period of two calendar years*
23 *commencing on January 1, 2006.*

24 (2) *A person who becomes a filer after January 1, 2004, shall*
25 *attend within six months after he or she becomes a filer and at least*
26 *once during each consecutive period of two calendar years*
27 *thereafter.*

28 (d) *The failure or refusal of a filer to attend an orientation*
29 *course required by this section shall constitute a failure or refusal*
30 *to perform the normal and reasonable duties of the position within*
31 *the meaning of Section 89535, and shall subject the filer to*
32 *discipline, including dismissal.*